

20-04
**ORDINANCE OF THE BOROUGH OF
MERCHANTVILLE, COUNTY OF CAMDEN, NEW
JERSEY, GUARANTEEING PAYMENT OF CERTAIN
PROJECT NOTES AND REVENUE BONDS TO BE
ISSUED BY THE MERCHANTVILLE-PENNSAUKEN
WATER COMMISSION**

BACKGROUND

WHEREAS, The Merchantville-Pennsauken Water Commission ("Commission"), a body politic of the State of New Jersey, situated at 6751 Westfield Avenue, Pennsauken, New Jersey 08110, has been duly organized in accordance with the provisions of *N.J.S.A. 40:62-108 et seq.*; and

WHEREAS, the Commission is jointly owned by the Borough of Merchantville, County of Camden, New Jersey ("Borough") and the Township of Pennsauken, County of Camden, New Jersey in the following percentages:

Borough of Merchantville	11.58%
Township of Pennsauken	<u>88.42</u>
	<u>100.00%</u>

WHEREAS, the Commission has determined there exists a need within its service area for various improvements to its water system ("Water System") consisting of the construction of a Perfluorononanoic acid treatment plant to be located at Woodbine Avenue in Merchantville, New Jersey, all as more particularly described in the information prepared in connection therewith by the Commission's Consulting Engineer, on file and available for inspection in the offices of the Commission (collectively, the "Project"); and

WHEREAS, the Commission has determined to finance the costs of the Project through the issuance of its water revenue bonds in one or more series, in the aggregate principal amount not to exceed \$2,500,000 (collectively, the "Bonds"); and

WHEREAS, the Commission has also determined to temporarily finance the costs of the Project through the issuance of its Project Notes, Series 2020, in the principal amount of up to \$2,500,000 ("Notes"; together with other project notes issued to refinance the Notes in subsequent years and the Bonds, the "Obligations"); and

WHEREAS, the Notes will be authorized by the Commission pursuant to a resolution of the Commission entitled, "RESOLUTION OF THE MERCHANTVILLE-PENNSAUKEN WATER COMMISSION AUTHORIZING THE ISSUANCE AND SALE OF ITS PROJECT NOTES, SERIES 2020, IN THE PRINCIPAL AMOUNT OF UP TO \$2,500,000; DELEGATING TO CERTAIN COMMISSION OFFICIALS THE POWER TO MAKE CERTAIN DETERMINATIONS AND TO AWARD AND SELL THE NOTES; APPROVING CERTAIN TERMS AND PROVISIONS OF THE NOTES AND THE PLEDGE

OF REVENUES TO SECURE THE PAYMENT OF THE NOTES; AND DETERMINING CERTAIN MATTERS IN CONNECTION THEREWITH"; and

WHEREAS, it is the desire of the Borough to guarantee repayment of said Obligations in the event of a default by the Commission.

NOW, THEREFORE, BE IT ORDAINED BY THE BOROUGH COUNCIL OF THE BOROUGH OF MERCHANTVILLE, COUNTY OF CAMDEN, NEW JERSEY, AS FOLLOWS:

Section 1. The Borough hereby guarantees repayment of the principal of and interest on the Obligations, when due, in the event the Commission is unable to make such payment.

Section 2. Said unconditional guarantee by the Borough shall be to the full extent of its ownership interest in the Commission, that being 11.58% of the amount of any default by the Commission.

Section 3. The term of this guaranty ordinance shall extend until the Obligations have been paid in full.

Section 4. All ordinances, or parts of ordinances, inconsistent or in conflict herewith are hereby repealed to the extent of any such inconsistency.

Section 6. In accordance with the Local Bond Law, Chapter 169 of the Laws of 1960 of the State of New Jersey, as amended and supplemented, this guaranty ordinance shall take effect twenty (20) days after the first publication thereof after final passage.

March 9, 2020

THE BOROUGH OF MERCHANTVILLE

BY: _____
EDWARD F. BRENNAN, MAYOR

ATTEST:

**_____
DENISE BROUSE, BOROUGH CLERK**

The foregoing ordinance was introduced by Mayor and Council at the regular meeting held on March 9, 2020. This Ordinance will be considered for adoption on final reading and public hearing to be held on April 13, 2020 at 7:30 p.m. in the Council Chambers, Merchantville Borough Hall, 1 West Maple Avenue, Merchantville, New Jersey.

The purpose of this Ordinance is to Guarantee Payment of Certain Project Notes and Revenue Bonds to be issued by the Merchantville-Pennsauken Water Commission. A copy of this Ordinance is available at no charge to the general public between the hours of 8:30 AM to 4:30 PM, Monday through Friday (Legal Holidays excluded), at the Office of the Borough Clerk, Merchantville Borough Hall, One West Maple Avenue, Merchantville, New Jersey.

Statement to be Published After Introduction (*With Ordinance*)

STATEMENT

Notice is hereby given that the foregoing proposed Ordinance was introduced and passed by the Borough Council of the Borough of Merchantville at its regular meeting which was held on March 9, 2020 and that a public hearing upon the said Ordinance will be conducted by the Borough Council at a meeting on April 13, 2020 at 7:30 p.m. at the Merchantville Borough Municipal Building, 1 West Maple Avenue, Merchantville, New Jersey. During the week prior to and up to and including the date of such meeting copies of the full ordinance will be available at no cost and during regular business hours, at the Borough Clerk's office for the members of the general public who shall request the same.

Dated: _____

DENISE BROUSE, Borough Clerk

Statement to be Published After Final Adoption (*With Ordinance*)

STATEMENT

The foregoing named Ordinance was duly adopted at a meeting of the Borough Council of the Borough of Merchantville held on April 13, 2020, and the twenty (20) day period of limitation within which a suit, action or proceeding questioning the validity of such Ordinance can be commenced, as provided in the Local Bond Law, has begun to run from the date of the first publication of this statement. Copies of the full ordinance are available at no cost and during regular business hours, at the Borough Clerk's office at the Municipal Building, 1 West Maple Avenue, Merchantville, New Jersey, for members of the general public who request the same.

Dated: _____

DENISE BROUSE, Borough Clerk